



U.S. Department
of Transportation

Office of the Secretary
of Transportation

January 24, 2013

1200 New Jersey Avenue SE
Washington DC 20590

Mr. Ted Sturdevant
Director
Washington State Department of Ecology
P.O. Box 47600
Olympia, WA 98504

Dear Mr. Sturdevant:

Thank you for your letter to Secretary of Transportation Ray LaHood regarding the Environmental Impact Statement for the Tongue River Railroad Company's proposed construction of a rail line in the Powder River Basin of Montana.

After careful review of your letter, I have determined that the best course of action is to forward your letter to the Office of Environmental Analysis within the Surface Transportation Board for response.

I hope that you find this information helpful.

Sincerely yours,

A handwritten signature in cursive script that reads "Joe Ann Swann".

Joe Ann Swann
Correspondence Manager

cc: Surface Transportation Board
Office of Environmental Analysis
395 E Street, SW.
Washington, DC 20423



STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

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January 4, 2013

Mr. Ray LaHood, Secretary
U.S. Department of Transportation
1200 New Jersey Ave, SE
Washington, D.C. 20590

Mr. Ken Blodgett
Surface Transportation Board
395 E Street SW
Washington, D.C. 20423

RE: Tongue River Railroad EIS Scoping Comments for Docket No. FD 30186

Dear Mr. LaHood and Mr. Blodgett:

I am writing to you concerning the Environmental Impact Statement (EIS) for the Tongue River Railroad Company's (TRRC) proposed construction of a rail line in the Powder River Basin of Montana. I am pleased that the Surface Transportation Board (STB) has determined that a new EIS is appropriate for this proposal under the National Environmental Policy Act (NEPA).

The EIS process requires that the potential direct, indirect, and cumulative impacts resulting from this proposal be identified and analyzed. As the director of an agency with responsibility for natural resources which could be affected by this project, I request you consider our comments as described below in your preparation of an EIS.

As noted in your draft scope of study, the principal purpose of the construction and operation of TRRC's proposed rail line is to transport coal from proposed mine sites in Rosebud and Powder River Counties, Montana. The anticipated train traffic between Miles City and Ashland would consist of 26 round trips per week.

The destination for the coal produced from these mines is not identified, but existing coal market conditions identify Asia as a major destination for Powder River Basin coal. Proposed coal export terminals in Washington, Oregon and British Columbia have stated that the coal they will use will come from the Powder River Basin. The TRRC EIS should analyze environmental impacts on the transportation routes to move this Powder River Basin coal to the expected markets.



Washington does not currently export any coal directly to Asia, although some coal is taken by rail through Washington for export from British Columbia ports. However, two coal export project proposals in Washington State and one in Oregon are currently in the environmental review process for permit applications and others are in discussion. All three projects would use coal transported from the Powder River Basin and could significantly impact Washington State natural resources and communities.

No federal EIS to date has looked at the impacts of coal exports through Washington State. Although other federal agencies, like Interior, have completed EISs that look at impacts associated with coal mining in the Powder River Basin, no federal agency has yet to look at the impact of export through the Pacific Northwest, including impacts to Washington State. With the change in coal export routes and markets, Washington will be affected by the construction and operation of this railroad, either through terminals in Washington State or by rail traffic through the state. The Washington State Department of Ecology (Ecology) has identified potential impacts of concern that should be addressed in the TRRC EIS, including:

- Traffic impacts from increased train traffic, including delays to emergency vehicles because of extended closures of train crossings.
- Potential impacts on other commodities exported via rail, commuter rail and Amtrak service.
- Overall rail line capacity.
- Spill prevention and response requirements for potential train derailments, especially since coal trains are expected to traverse the Columbia River Gorge National Scenic Area and Puget Sound.
- Fugitive coal dust.
- Emissions from locomotives, including particulate matter and greenhouse gases.

In your notice of intent for the project, most of the potential impacts identified are either limited to the project area or the geographic range is not identified. In particular, the scope of review for impacts to the existing transportation network, biological resources, water resources, air quality and socioeconomics appears to be limited to the project area only. Washington State could have potential impacts directly related to the construction of this rail line and analysis of those potential impacts to our state should be included in the EIS.

Ecology has brought up these concerns in the past with federal agencies working with projects in the Powder River Basin that could affect Washington State. These concerns were determined to be outside of the scope of projects because the export facilities in Washington State were still in the discussion phases.¹ Now, however, two large export terminals, the Gateway Pacific Terminal and Millennium Bulk Terminals - Longview have applied for Washington and federal

¹ In a December 29, 2011 letter from the Bureau of Land Management (BLM) in response to a request from Ecology to prepare a supplemental EIS for the Wright Area Coal Lease application, BLM Director Abbey stated that "BLM would consider whether the issues you have raised are within the appropriate scope of future environmental analysis for coal leasing decisions, if and when development of the port facilities you describe becomes more certain in the future."

Mr. LaHood and Mr. Blodgett

January 4, 2013

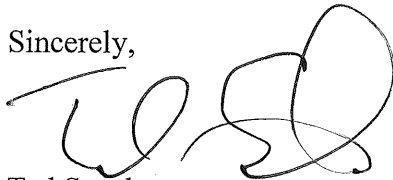
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permits and have started their own EIS processes. Additionally, the Morrow Pacific Project in Oregon and the expansion proposals for coal terminals and new coal terminals in British Columbia will almost certainly require the transport of coal through Washington and other states. In the same vein that coal leasing decisions in the Powder River Basin could affect Washington State, additional rail being built specifically for coal trains to export coal could affect Washington State resources. Because of the multi-state impacts, a federal agency is in the best position to conduct the comprehensive review needed for transportation impacts associated with these proposals.

To provide some additional detail into the potential impacts, the three proposals already in the environmental review process in Washington and Oregon could result in 37 additional unit trains per day transiting Washington State, adding up to over 13,000 more trains per year. In 2006, the Washington State Transportation Commission published a Statewide Rail Capacity and System Needs Study.² This study shows a rail system that is at, or over capacity in several critical areas along the rail line. Increases of this significance that could potentially result from the TRRC proposal should be included in the EIS for analysis.

Our citizens are raising many valid questions on projects like this that will affect their communities and state. In 1997, the Council on Environmental Quality (CEQ) issued guidance to federal agencies that: "The range of actions that must be considered includes not only the project proposal, but all connected and similar actions that could contribute to cumulative effects." Because several coal export proposals have begun the environmental review process in Washington and Oregon and would receive coal from the Powder River Basin, it is imperative that the NEPA lead federal agency consider the direct, indirect and cumulative impacts for any related projects in this region which could impact Washington State. I strongly urge you to include these critical items in the TRRC EIS to fully identify, analyze and consider potential impacts to Washington State.

Sincerely,

A handwritten signature in black ink, appearing to read 'T. Sturdevant', with a large, stylized loop at the end.

Ted Sturdevant
Director

cc: Lieutenant General Thomas Bostick, U.S. Army Engineers
Governor John Kitzhaver
Dick Pederson, Director, Oregon Department of Environmental Quality
Mike Pool, Bureau of Land Management
Ken Salazar, U.S. Department of Interior
Nancy Sutley, White House Council on Environmental Quality

² The report can be found at <http://www.wstc.wa.gov/Rail/RailFinalReport.pdf>.

